

Message Text

CONFIDENTIAL

PAGE 01 GEORGE 00923 051615Z

ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 ISO-00 AID-05 CIAE-00
COME-00 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00
XMB-02 OPIC-03 SP-02 LAB-04 EPG-02 SIL-01 OMB-01
NSC-05 SS-15 STR-04 CEA-01 /087 W
-----060827Z 018566 /22

R 051416Z MAY 77

FM AMEMBASSY GEORGETOWN

TO SECSTATE WASHDC 4595

INFO USMISSION OECD PARIS

C O N F I D E N T I A L GEORGETOWN 0923

OECD FOR ASSISTANT SECRETARY BOSWORTH

E.O. 11652: GDS

TAS: ETRD, CIEC, EGEN, GY

SUBJECT: DISCUSSION OF CIEC

REF: STATE 90658

SUMMARY: DISCUSSIONS WITH GUYANA'S FOREIGN MINISTER ON CIEC HAVE BEEN INITIATED AND WILL BE CONTINUED FOLLOWING HIS RETURN TO GUYANA MAY 16. HE EXPRESSED GENERAL AGREEMENT WITH US VIEWS OUTLINED PARA 3 REFTEL. DISCUSSION OF TRANSFER OF RESOURCES, HOWEVER, SPARKED HIM TO MAKE A PLEA THAT GUYANA AND OTHER CARIBBEAN STATES BE GIVEN SPECIAL CONSIDERATION, I.E. TREATED AS LDC'S RATHER THAN MDC'S BECAUSE THEIR PROXIMITY AND EXPOSURE TO US HAVE MADE, IN THEIR PEOPLES' MINDS, THE PERCEIVED "POVERTY" LEVEL AND THE POLITICAL CONSEQUENCES OF THIS PERCEIVED POVERTY HIGHER THAN IN AFRICAN OR ASIAN COUNTRIES. END SUMMARY

1. DURING MEETING WITH FONMIN WILLS MAY 4, I DESCRIBED US VIEWS ON CIEC, USING TALKING POINTS REFTEL. WE DID NOT COMPLETE DISCUSSION AS WILLS HAD TO BREAK OFF THE MEETING TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 GEORGE 00923 051615Z

DASH OFF TO AIRPORT, BUT WE AGREED TO RESUME DISCUSSION OF CIEC WHEN HE RETURNS MAY 16.

2. WILLS EXPRESSED GENERAL AGREEMENT WITH US VIEWS OUTLINED IN PARA 3 REFTEL. HOWEVER, WE DID NOT PROGRESS BEYOND DISCUSSION OF THE "TRANSFER OF RESOURCES" TOPIC IN PARA 4 AS WILLS INTERRUPTED WITH AN EMPHATIC

PLEA THAT GUYANA SHOULD BE CONSIDERED AS A LESS DEVELOPED COUNTRY (LDC) RATHER THAN A MIDDLE DEVELOPED COUNTRY (MDC). HE SAID THAT POVERTY AND SUFFERING ARE RELATIVE THINGS. THUS, HE SAID, A \$400 PER CAPITA INCOME MAY BE TOLERABLE IN COUNTRIES IN MANY PARTS OF THE WORLD, SUCH AS AFRICA; BUT IN THE CARIBBEAN IT IS NOT TOLERABLE. THE PROXIMITY TO THE US AND THE FACT THAT PEOPLE IN THE AREA HAVE BEEN ACCUSTOMED TO GOODS AND SERVICES FROM THE UNITED STATES AND THE WAY OF LIFE IN THE US, MAKE IT EXTREMELY DIFFICULT TO MAINTAIN POLITICAL STABILITY WITH AN AVERAGE INCOME OF ONLY \$400.

3. HE ARGUED THAT THE GUYANESE PEOPLE ARE MUCH MORE SOPHISTICATED THAN AFRICANS AND, THEREFORE, DEMAND MORE SERVICES FROM THEIR GOVERNMENT. MORE OF THE NATION'S INCOME MUST BE DEVOTED TO SUPPLYING PEOPLE'S IMMEDIATE NEEDS RATHER THAN ACCUMULATE AS CAPITAL FOR DEVELOPMENT AND INVESTMENT PROJECTS.

4. REFERRING TO THE 1975 SURPLUS, WILLS SAID THAT THE GOG'S DECISION TO APPLY IT TO DEVELOPMENT PROJECTS FOR WHICH THERE WILL BE NO IMMEDIATE FINANCIAL RETURN -- ONLY A DRAIN -- HAD BEEN A POLITICAL GAMBLE WHICH THE GOG HAD LOST BECAUSE GUYANA'S EXPORT PRICES AND INCOME HAD DROPPED WHEREAS IMPORT PRICES HAD RISEN. NO FINANCIAL CUSHION HAD BEEN KEPT. THE ECONOMIC AND POLITICAL CONSEQUENCES OF THIS DEVELOPMENT STRATEGY WERE NOW BEING FELT.

5. WILLS THEN URGED THAT THE US, IN PLANNING TRANSFERS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 GEORGE 00923 051615Z

OF RESOURCES, CONSIDER THE CARIBBEAN AS A SORT OF "MONROE DOCTRINE" AREA, WHICH HAS PROBLEMS DIFFERENT FROM OTHER AREAS AND WHICH FOR A NUMBER OF REASONS SHOULD RECEIVE SPECIAL AND SYMPATHETIC ATTENTION FROM THE US.

6. WILLS' COMMENTS REVEAL THE SCHIZOPHRENIA WITH WHICH THE US IS VIEWED HERE. ON THE ONE HAND, PEOPLE AND LEADERS ARE EXTREMELY SENSITIVE TO WORDS AND ACTIONS WHICH WOULD IMPLY THAT THE CARIBBEAN AREA IS A "MONROE DOCTRINE" AREA FOR US SECURITY PURPOSES, BUT HERE IS THE FOREIGN MINISTER OF A VERY NATIONALISTIC COUNTRY ADVOCATING THAT FOR ECONOMIC ASSISTANCE PURPOSES AT LEAST, THE US SHOULD CONSIDER THE AREA AS A SPECIAL RESPONSIBILITY. I AGREE WITH WILLS THAT THE ATTITUDES AND TASTES OF GUYANESE HAVE BEEN INFLUENCED STRONGLY BY THEIR CLOSE PROXIMITY AND ASSOCIATION WITH THE US AND CANADA. AS A RESULT, GUYANESE AND PROBABLY OTHER WEST INDIAN POPULATIONS, HAVE RELATIVELY HIGH EXPECTATIONS FOR ECONOMIC BENEFITS AND GOVERNMENT SERVICES. UNFORTUNATELY THE CAPABILITIES OF THEIR BUREAUCRACIES

AND LEADERSHIP TO MEET THESE EXPECTATIONS ARE NOT YET
ADEQUATE. CONSEQUENTLY THE POLITICAL PRESSURES ARE
EXTREMELY HIGH.
BLACKEN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, ECONOMIC COOPERATION, ECONOMIC ASSISTANCE, GOVERNMENT REACTIONS, ECONOMIC RESOURCES
Control Number: n/a
Copy: SINGLE
Sent Date: 05-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977GEORGE00923
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770159-0523
Format: TEL
From: GEORGETOWN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770591/aaaadals.tel
Line Count: 120
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: bf80179a-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 90658
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 30-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2633948
Secure: OPEN
Status: NATIVE
Subject: DISCUSSION OF CIEC
TAGS: ETRD, EGEN, ECIN, US, GY, CIEC, (WILLS, FREDERICK R)
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/bf80179a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009